## **HUMAN SERVICES DEPARTMENT**[441]

#### **Notice of Intended Action**

# Proposing rule making related to child care assistance and providing an opportunity for public comment

The Human Services Department hereby proposes to amend Chapter 170, "Child Care Services," Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is proposed under the authority provided in Iowa Code section 234.6.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code section 234.6 and 2018 Iowa Acts, Senate File 2418.

#### Purpose and Summary

These amendments propose to update the Child Care Assistance (CCA) half-day rate ceilings in accordance with 2018 Iowa Acts, Senate File 2418. Providers and families will be affected by these changes. The proposed amendments will allow providers to be paid more for the care they provide to CCA-eligible families. Families will also have more and better-quality choices of CCA providers.

## Fiscal Impact

This rule making has a fiscal impact to the State of Iowa of \$100,000 annually or \$500,000 over five years. The rate increases will result in higher payments to child care providers for the services they provide to CCA-eligible families.

#### Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

#### Waivers

These amendments do not provide a specific waiver authority because anyone may request a waiver of these provisions in a specified situation under the Department's general rule on exceptions at 441—1.8(17A,217).

## Public Comment

Any interested person may submit written comments concerning this proposed rule making. Written comments in response to this rule making must be received by the Department no later than 4:30 p.m. on September 18, 2018. Comments should be directed to:

Harry Rossander
Bureau of Policy Coordination
Department of Human Services
Hoover State Office Building, Fifth Floor
1305 East Walnut Street
Des Moines, Iowa 50319-0114

Email: policyanalysis@dhs.state.ia.us

#### Public Hearing

No public hearing is scheduled at this time. As provided in Iowa Code section 17A.4(1)"b," an oral presentation regarding this rule making may be demanded by 25 interested persons, a governmental subdivision, the Administrative Rules Review Committee, an agency, or an association having 25 or more members.

### Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rule-making actions are proposed:

#### ITEM 1. Amend paragraph 170.4(3)"g" as follows:

g. Iowa records checks for in-home care. If a person who provides in-home care applies to receive public funds as reimbursement for providing child care for eligible clients, the provider shall complete and submit to the department Form 470-5143, Iowa Department of Human Services Record Check Authorization Form an authorization for release of child and dependent adult abuse information. The department shall use this form to conduct Iowa criminal history record and child abuse record checks.

(1) to (3) No change.

#### ITEM 2. Amend paragraph 170.4(7)"a" as follows:

a. Rate of payment. The rate of payment for child care services, except for in-home care which shall be paid in accordance with 170.4(7)"d," shall be the actual rate charged by the provider for a private individual, not to exceed the maximum rates shown below. When a provider does not have a half-day rate in effect, a rate is established by dividing the provider's declared full-day rate by 2. When a provider has neither a half-day nor a full-day rate, a rate is established by multiplying the provider's declared hourly rate by 4.5. Payment shall not exceed the rate applicable to the provider and age group in Table # 1, except for special needs care which shall not exceed the rate applicable to the provider and age group in Table # 2. To be eligible for the special needs rate, the provider must submit documentation to the child's service worker that the child needing services has been assessed by a qualified professional and meets the definition for "child with special needs," and a description of the child's special needs, including, but not limited to, adaptive equipment, more careful supervision, or special staff training.

Table I Half-Day Rate Ceilings for Basic Care							
Age Group	Child Care Center		Child Development Home Category A or B		Child Development Home Category C		Nonregistered Family Home
	Basic	<del>QRS-5</del>	Basic	QRS-5	Basic	QRS-5	
Infant and Toddler	<del>\$16.78</del>	<del>\$20.50</del>	<del>\$12.98</del>	<del>\$13.75</del>	\$12.44	\$15.00	<del>\$8.19</del>
Preschool	<del>\$13.53</del>	<del>\$17.50</del>	<del>\$12.18</del>	<del>\$13.50</del>	<del>\$12.18</del>	<del>\$13.75</del>	<del>\$7.19</del>
School Age	\$12.18	\$14.75	\$10.82	\$12.50	\$10.82	\$13.00	\$7.36

<u>Table 1</u> <u>Half-Day Rate Ceilings for (Licensed Center)</u>								
	No QRS 1 or 2 QRS 3 or 4 QRS 5						<u>S 5</u>	
Age Group	Basic	Special Needs	Basic	Special Needs	Basic	Special Needs	Basic	Special Needs
Infant and Toddler	\$17.00	<u>\$51.94</u>	<u>\$19.75</u>	<u>\$51.94</u>	\$20.50	<u>\$51.94</u>	\$21.90	<u>\$51.94</u>
Preschool	<u>\$14.75</u>	\$30.43	<u>\$15.50</u>	\$30.43	\$16.40	\$30.43	\$18.69	\$30.43
School Age	\$12.18	\$30.34	\$12.50	\$30.34	\$13.50	\$30.34	\$15.00	\$30.34

Table II  Half-Day Rate Ceilings for Special Needs Care						
Age Group	Child Care Center Home Category A or B Child Development Home Category C Pamily Home Category C					
Infant and Toddler	<del>\$51.94</del>	<del>\$17.05</del>	<del>\$13.40</del>	<del>\$10.24</del>		
Preschool	\$30.43	<del>\$15.83</del>	<del>\$13.40</del>	<del>\$ 8.99</del>		
School Age	\$30.34	<del>\$14.61</del>	<del>\$12.18</del>	<del>\$ 9.20</del>		

Table 2 Half-Day Rate Ceilings for (Child Development Home A/B)								
	No 0	QRS	QRS 1 or 2		<u>QRS 3 or 4</u>		<u>QRS 5</u>	
Age Group	Basic	Special Needs	Basic	Special Needs	Basic	Special Needs	Basic	Special Needs
Infant and Toddler	\$12.98	\$19.47	\$13.50	\$20.25	<u>\$13.75</u>	\$20.63	\$14.00	\$21.00
Preschool	\$12.50	<u>\$18.75</u>	\$12.75	\$19.13	\$13.00	\$19.50	<u>\$13.75</u>	\$20.63
School Age	\$10.82	\$16.23	\$11.25	\$16.88	\$12.00	\$18.00	\$12.50	<u>\$18.75</u>

<u>Table 3</u> <u>Half-Day Rate Ceilings for (Child Development Home C)</u>								
	No (	<u>QRS</u>	QRS 1 or 2		<u>QRS 3 or 4</u>		<u>QRS 5</u>	
Age Group	Basic	Special Needs	Basic	Special Needs	Basic	Special Needs	Basic	Special Needs
Infant and Toddler	\$13.00	\$19.50	\$14.00	\$21.00	<u>\$14.50</u>	<u>\$21.75</u>	\$15.00	\$22.50
Preschool	\$12.50	<u>\$18.75</u>	\$13.00	\$19.50	\$13.50	\$20.25	\$15.00	\$22.50
School Age	<u>\$11.25</u>	\$16.88	\$12.00	\$18.00	\$12.50	<u>\$18.75</u>	\$14.00	\$21.00

Table 4 Half-Day Rate Ceilings for Child Care Home (Not Registered)					
Age Group	Basic	Special Needs			
Infant and Toddler	\$8.19	<u>\$12.29</u>			
Preschool	<u>\$7.19</u>	<u>\$10.79</u>			
School Age	<u>\$7.36</u>	<u>\$11.04</u>			

The following definitions apply in the use of the rate tables:

- (1) "Child care Licensed center" shall mean those providers as defined in 170.4(3) "a." "Registered child Child development home A/B" or "child development home C" shall mean those providers as defined in 170.4(3) "b." "Nonregistered family child Child care home (not registered)" shall mean those providers as defined in 441—Chapter 120.
- (2) Under age group, "infant and toddler" shall mean age two weeks to two years; "preschool" shall mean two years to school age; "school age" shall mean a child in attendance in full-day or half-day classes.
- (3) "QRS 5" shall mean a provider who has achieved a rating of Level 5 under the quality rating system. "No QRS" shall mean a provider who is not participating in the quality rating system.
- (4) A provider who is rated under the quality rating system shall be paid according to the corresponding QRS payment level in the tables above only during the period the rating is valid as defined in 441—Chapter 118. If the provider's QRS rating expires, the provider shall be paid according to the "No QRS" payment level.
- (5) For a provider rated "QRS 1" through "QRS 4," if the rating period expires before a new QRS level is approved, the provider will be paid according to the "No QRS" payment level until the new QRS level is approved.
- (6) For a provider rated "QRS 5," if a renewal application is received before the current rating period expires, the provider will continue to be paid according to the "QRS 5" payment level until a decision is made on the provider's application.
- (7) "QRS 1 or 2" shall mean a provider who has achieved a rating of Level 1 or Level 2 under the quality rating system.
- (8) "QRS 3 or 4" shall mean a provider who has achieved a rating of Level 3 or Level 4 under the quality rating system.
- (9) "QRS 5" shall mean a provider who has achieved a rating of Level 5 under the quality rating system.